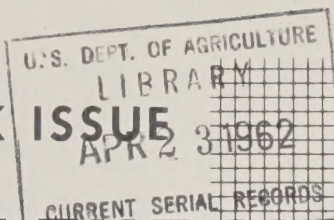


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# **A**GRICULTURAL **©**UTLOOK DIGEST

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The agricultural outlook next year is dominated by prospects for an expanding domestic market and record farm exports. Realized net income of farm operators in 1962 is estimated at about the level of 1961.....These expectations assume continuation of existing farm programs and price supports, average growing conditions, and expanding general economic activity.

FARM INCOME--Realized net farm income in 1961 is likely to be about a billion dollars greater than the \$11.7 billion realized by farmers in 1960. Cash receipts from marketings probably will be up somewhat from a year ago because of a large volume of marketings and about the same prices. In addition government payments to farmers participating in the Feed Grain Program will add to farm income.

CATTLE--Total cattle slaughter in 1962 is expected to be up about 1 million head or 4 percent from 1961. Cattle numbers on farms next January 1 may be up to about 99 million head from 97.1 million on January 1, 1961. Cattle prices may average about the same in 1962 as in 1961.....The total 1962 slaughter probably will be made up of more cows and fewer fed heifers than in 1961.

HOGS--The pork outlook for 1962: Production, 3 to 4 percent higher than in 1961; prices, averaging only slightly less than this year's levels. Estimated higher pork output will come from a prospective 2 percent increase in the 1961 fall pig crops over 1960, and 3 to 5 percent increase in farrowings in the 1962 spring pig crop compared with farrowings this spring.

LAMB--Outlook for lamb appears somewhat brighter in 1962 than this year, which was marked by high slaughter and low prices. Next year's lamb crop probably will be smaller than that of 1961 with a recovery in prices likely.

BROILERS--Heavy broiler production appears in prospect for 1962 despite record low prices in 1961.....Production in 1962 probably will be close to this year's high level. Output in 1961 is expected to be at least 12 percent greater than the 1.8 billion birds raised in 1960. Prices reflect the large supply. The 1961 average price to producers will be about 3 cents below the 16.9 cents per pound received last year.

TURKEYS--The turkey crop in 1962 is again likely to be large.....Though not up to the record 107 million birds raised in 1961. Breeders from 15 major-producing States reported intentions, on October 1, of reducing breeding flocks next year by



only 3 percent from last year's record high. But the turkey situation could be influenced by proposed marketing orders for turkeys and turkey hatching eggs, if the orders are approved by producers and if they take effect early enough during 1962.

EGGS--Production of eggs next year is expected to be a little above the 170 million cases in prospect for 1961. Prices are likely to average slightly below the 36 cents per dozen indicated for 1961.

FEED GRAINS--The 1961-62 outlook for total supply of feed grains and other concentrates is for a 7 million ton drop from the 259 million in 1960-61.....The first drop in supplies since 1952. Through participation in the Feed Grain Program, farmers reduced acreage of feed grains 16 percent....with most of the reduction in corn and sorghum.

Feed grain prices are running a little higher this fall than a year ago and will probably average a little higher in 1961-62 than in the previous marketing year. Principal factors influencing the pattern of feed grain prices during the 1961-62 marketing year will be CCC certificate sales under the 1961 Feed Grain Program, increase in price supports for the 1961 crops, the smaller production of feed grains this year, and the prospects for more livestock feeding next year.

WHEAT--Total supply for the 1961-62 marketing year is estimated at 2.6 billion bushels, down slightly from last season's record high because of drought in the spring wheat area. Domestic disappearance is expected to reach 590 million bushels; exports, a record 675 million. Prospective carryover next July 1 would be in the neighborhood of 1.4 billion bushels, around a 50 million bushel drop below July 1, 1961, and the first decline in stocks since 1958.

FATS & OILS--Total U. S. supply of edible fats, oils and oilseeds, is forecast at a record 16.1 billion pounds for the 1961-62 marketing year. This is 2.1 billion pounds, or 15 percent, more than was available a year earlier. The increase is due largely to the record 1961 soybean crop. Exports of food fats in 1961-62 may set a new record of around 4.5 billion pounds, about a third more than was exported during 1960-61. Main factors: (1) Small supplies are likely to be available from Communist China. (2) Europe will buy more U. S. soybeans. (3) Japan has removed import restrictions. (4) Sharp expansions in movement of edible oils under the Food for Peace Programs.

MILK--Indications point to a probable record in milk production in 1962. Little change from 1961 is expected in total civilian use from commercial sources. As a result, purchases by Commodity Credit Corporation in 1962 are likely to exceed the heavy purchases of 1961, possibly approaching the high levels of 1953 and 1954.